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FISCAL IMPACT REPORT

SPONSOR: Foley,D. DATE TYPED: 3/07/03 HB 951

SHORT TITLE: Regional Education Co-op Purchasing Duties SB _____

ANALYST: Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

House Bill 951 amends Section 22-2B-5 NMSA 1978 by limiting the purchasing duties of the Regional Education Cooperatives, specifically excluding the purchase of insurance.

Significant Issues

According to SDE, the Cooperatives are authorized by the State Board of Education pursuant to 22-2B-3, through 22-2B-5 NMSA 1978. Several school districts through a Joint Powers Agreement combine resources and employ the REC to provide services and maintain fiscal accountability of their federal and state programs.

The SDE indicates that most school districts have insurance provided by the New Mexico Public School Insurance Authority, (NMPSIA). The purpose of NMPSIA is to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage.

FISCAL IMPLICATIONS

House Bill 951 does not contain an appropriation. If the bill is enacted the REC's would no longer be part of the pool of insurance subscribers with the schools and it could have a minimal fiscal impact to insurance premiums currently charged to school districts.

ADMINISTRATIVE IMPLICATIONS

The REC's would have to comply with the mandate of House Bill 951.

RS/njw